

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **CHAIRMAN MIKE TAYLOR**, on January 25, 2001 at 8:00 A.M., in Room 422 Capitol.

ROLL CALL

Members Present:

Sen. Mike Taylor, Chairman (R)
Sen. Mike Sprague, Vice Chairman (R)
Sen. Edward Butcher (R)
Sen. Vicki Cocchiarella (D)
Sen. Sam Kitzenberg (R)
Sen. Dale Mahlum (R)
Sen. Glenn Roush (D)
Sen. Don Ryan (D)

Members Excused: Sen. Dale Berry (R)

Members Absent: None.

Staff Present: Bart Campbell, Legislative Branch
Kyanne Kelly, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 252, 1/22/2001; SB 251,
1/22/2001; HB 19, 1/22/2001;
SB279, 1/22/2001
Executive Action: SB252; SB 279; SB 195; SB 251

HEARING ON SB 252

Sponsor: SENATOR VICKI COCCHIARELLA, SD 32, MISSOULA

Proponents: Al Smith, Montana Trial Lawyers Association
Don Judge, AFL-CIO
George Wood, Montana Self Insurers Association
Riley Johnson, National Independent Businesses
Bob Worthington, Mt Municipal Insurance Authority
Jerry Loendorf, Montana Medical Association
Nancy Butler, State Fund

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 0.3}

SENATOR VICKI COCCHIARELLA, SD 32, MISSOULA, said this bill comes from a court decision made in 1985, called the Coles decision. This bill simply implements the Cole's decision when returning an employee to work.

Proponents' Testimony:

Al Smith, Montana Trial Lawyers Association, said they support the bill. He said this is the law in Montana and this bill is simply to let out-of-state insurance firms know it is the law so they don't get confused.

Don Judge, AFL-CIO, said they support this bill. He said he views it as a clarification bill

George Wood, Montana Self Insurers Association, said he supports this bill.

Riley Johnson, National Independent Businesses, said he supports the bill.

Bob Worthington, MT Municipal Insurance Authority, said he supports the bill.

Jerry Loendorf, Montana Medical Association, said he supports the bill.

Nancy Butler, State Fund, said she supports this legislation.

Opponents' Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

SENATOR VICKI COCCHIARELLA, SD 32, MISSOULA said this comes from a Work Comp court decision, not a supreme court decision.

HEARING ON SB 251

Sponsor: **SENATOR VICKI COCCHIARELLA, SD 32, MISSOULA**

Proponents: None

Opponents: None

Opening Statement by Sponsor:

SENATOR VICKI COCCHIARELLA, SD 32, MISSOULA, said the purpose of this bill was to eliminate occupational deafness and move it into occupational disease. She said this would treat deafness like any other occupational disease. And the idea here was to treat everyone with an exposure related disease the same. **SENATOR COCCHIARELLA** said that two days ago they received new information and they are now in the process of creating a new bill, and pages of amendments. She then stated she would like to withdraw this bill from hearing this day. **CHAIRMAN TAYLOR** agreed to reschedule this bill for another day.

HEARING ON HB 19

Sponsor: REPRESENTATIVE RALPH LENHART, HD 2, GLENDIVE

Proponents: Tom Clement, Helena Babe Ruth
Rick Harbin, Colstrip Park District
SENATOR BOB DEPRATU, WHITEFISH
Bob Worthington, Member MOA
John Williams, Colstrip Park District Board

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 13}

REPRESENTATIVE RALPH LENHART, HD 2, GLENDIVE said this bill exempts immature athletic officials from Worker's Compensation.

Proponents' Testimony:

Tom Clement, Helena Babe Ruth, said it would cost them between 5-7,000 dollars to provide Worker's Compensation for their Babe Ruth Baseball program. The average age of the umpires is 13, and the average pay is \$12.00. There is liability insurance coverage for these officials, so they are covered while they are working.

Rick Harbin, Colstrip Park District, said that currently school athletic events are exempt from Workers' Compensation coverage.

Other amateur athletic contests such as Legion baseball, basketball, softball, soccer, volleyball, flag football, little league or any other youth or adult non-school event are not allowed the same exemption. **EXHIBIT (bus20a01)**

Senator Bob DePratu, Whitefish, said some of the programs in the Flathead Valley were affected by having to pay unemployment tax for the little league program.

Bob Worthington, Member MOA, said he supports the bill.

John Williams, Colstrip Park District Board, said he supports this bill.

Opponents' Testimony: None

Questions from Committee Members and Responses:

SENATOR COCCHIARELLA said this bill would exempt people from Worker' Comp, she asked if they were looking for exemption from unemployment compensation also.

Tom Clement said they see the umpires as contract workers rather than paid employees and they don't have to pay unemployment insurance on this work.

SENATOR GLENN ROUSH asked if this would include all amateur sports.

Rick Hardin said yes.

SENATOR MIKE SPRAGUE said there should be some clarification made about whether it is a wage or contract, is it a bid or is it pay?

Rick Hardin said they would like to make this more clear in the bill.

SENATOR COCCHIARELLA said she does have a serious question about the liability.

Tom Clement said they have liability insurance.

{Tape : 1; Side : B; Approx. Time Counter : 2.1}

SENATOR COCCHIARELLA asked **Kevin Braun from the Department of Labor and Industry** if most insurance would have a statement which would exclude people who are working because that is usually covered by Workers' Comp.

Kevin Braun said yes. He also stated the insurance can be written to cover workers also, but you would have to check it in each situation.

Closing by Sponsor

REPRESENTATIVE RALPH LENHART, HD 2, GLENDIVE stated this bill had no opposition in the House. He then handed out a copy of testimony from someone who could not be at the hearing.

EXHIBIT (bus20a02)

{Tape : 1; Side : B; Approx. Time Counter : 7.7}

HEARING ON SB 279

Sponsor: SENATOR WALTER MCNUTT, SD 50, SIDNEY

Proponents: Carroll South, Board of Investments
John Fitzpatrick, Touch America
Aidan Myhre, Montana chamber of Commerce
Riley Johnson, Federation of Independent Business

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : B; Approx. Time Counter : 12.4}

SENATOR WALTER MCNUTT, SD 50, SIDNEY, spoke about SB 6, a low interest loan program which was passed through during the special session last year. He said some changes need to be made which have become obvious since the special session.

Proponents' Testimony:

Carroll South, Board of Investments, said this bill passed in a real hurry in the special session, and was handed to them without a lot of directions. He stated that the amendments that are in this bill simply codify what they have done by policy.

John Fitzpatrick, Touch America, lends his support to this bill. He said this legislation would be very beneficial for the small telecommunications companies in Montana.

Aidan Myhre, Montana chamber of Commerce, stated this bill will help startup companies and they are supportive of this bill for that reason.

Riley Johnson, Federation of Independent Business, said they stand in support of this legislation.

Opponents' Testimony: None

Questions from Committee Members and Responses:

CHAIRMAN MIKE TAYLOR asked if they would use prime rate or roll back into posted rates.

SENATOR MCNUTT stated that the bill uses posted rates. He thinks that is what would be right. As Carroll South had said, posted rates had been averaging 2% less than prime so it would be better.

Closing by Sponsor:

{Tape : 2; Side : A; Approx. Time Counter : 1.6}

SENATOR WALTER MCNUTT, SD 50, SIDNEY, said the amendments will help the banks implement this bill. He stated they have already been doing a good job, and this would facilitate them doing a better job of implementing the intent of the bill.

EXECUTIVE ACTION ON SB 252

Motion/Vote: SEN. RYAN moved that SB 252 DO PASS. Motion carried unanimously.

EXECUTIVE ACTION ON SB 279

Motion/Vote: SEN. MAHLUM moved that AMENDMENT TO SB279 BE ADOPTED. Motion carried unanimously. EXHIBIT(bus20a03)

Motion/Vote: SEN. MAHLUM moved that SB279 DO PASS AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON SB 195

Motion/Vote: SEN. RYAN moved that **AMENDMENT TO SB 195 BE ADOPTED.**
Motion carried unanimously.**EXHIBIT**(bus20a04)

Motion/Vote: SEN. TAYLOR moved that **SB 195 BE TABLED.** Motion
carried 7-2 with Butcher and Cocchiarella voting no.

EXECUTIVE ACTION ON SB 251

Motion/Vote: SEN. COCCHIARELLA moved that **SB 251 BE TABLED.**
Motion carried unanimously.

ADJOURNMENT

Adjournment: 9:30 A.M.

SEN. MIKE TAYLOR, Chairman

KYANNE KELLY, Secretary

MT/KK

EXHIBIT (bus20aad)